

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 750) was agreed to.

Mr. CHAFEE. I move to reconsider the vote.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Vermont, makes a motion to lay that amendment on the table.

The motion to table is agreed to.

Mr. WELLSTONE. Mr. President, I again would like to thank my colleagues.

This was, for a good many counties in Minnesota, a very, very important question. For all Senators, whether Democrats or Republicans, it always feels good to come through for people in your State. I worked hard at this. I thank my colleagues for their cooperation. I yield the floor.

UNITED STATES ACTION ON JAPAN TRADE

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, our United States Trade Representative, Ambassador Kantor, this morning announced a pair of initiatives regarding our trade relations with Japan for which he is to be commended and which deserve the strong support of this body.

With respect to the first initiative, Ambassador Kantor has announced a plan to impose trade sanctions under section 301 of the Trade Act, pursuant to an investigation into the Japanese auto parts aftermarket. On this issue, this body has already spoken decisively by agreeing to a resolution offered on yesterday by the two leaders and myself, and the vote was 88-8. The Senate, thereby, decisively supports the imposition of such sanctions, given the complete unwillingness of the Japanese to address their market closing practices which block access of the United States parts to Japanese consumers. This has resulted in persistent, large trade deficits which are unfair to our industries and cost tens of thousands of jobs every day.

The Trade Representative is on solid ground to publish a proposed retaliation list under section 301.

Regarding the second initiative, the Trade Representative has also announced his intention to take a broad case against Japan's automotive practices before the World Trade Organization [WTO] by invoking the dispute settlement mechanism. As stated in his letter to the new Director General of the WTO, the case will be based on the fact that "Japan has failed to carry out its obligations under the WTO" and thereby "nullified and impaired benefits accrued to the United States under the WTO", and "impedes the attainment of important objectives of the GATT and the WTO."

As my colleagues are aware, in the debate last December over America's accession to the new WTO system, the

question of the impact on United States sovereignty by creating binding decisionmaking dispute settlement bodies in that organization was discussed. In fact, it seems clear that some other nations were quick to sign up to the WTO, specifically in order to attack United States trade laws.

In testimony before the Senate Finance Committee today, a former United States trade negotiator, Alan Wolff, stated with respect to the context of negotiations creating the WTO,

Our negotiators should have begun to recognize that there was something suspect about the U.S. proposal for an automatically binding system when the rest of the parties to the negotiation made an about face and embraced it. They thought that they were curbing America's ability to act under section 301.

So, some opinion has been expressed that it would be risky to go before the WTO in that a dispute settlement panel could rule against United States 301 action in imposing new retaliatory tariffs on Japanese products.

But the question is, what is in the national interest of the United States? Let us keep our eye on the ball. The case of Japanese discrimination on a very persistent and massive scale has been clear for many years in the automotive market as well as in other markets. No serious person can take issue with this.

I commend the approach taken by Ambassador Kantor. There should be a good case against Japanese automotive industry barriers before the WTO because they are so overwhelming—Japanese practices overwhelm tariff schedules and make them irrelevant to the real dynamics of the market. If there is not a winnable case, I, for one, would suspect something deeply flawed with WTO decisionmaking and not the United States' case. Let me say that again: If there is not a winnable case, then I, for one, would suspect something deeply flawed with the World Trade Organization decisionmaking and not something flawed about the United States' case.

The U.S. Trade Representative has maintained consistently that the operation of section 301 as a bilateral mechanism regarding specific barriers and practices is completely appropriate at the same time that we also attempt to breathe life into the new WTO dispute system. WTO rules do not cover the complete range of barriers that are practiced by the Japanese and, therefore, 301 treatment is totally appropriate in many instances. Furthermore, as a general matter, it certainly appears reasonable to believe that if Japanese practices nullify the value to be gained from the tariff-lowering regime of the GATT, then the United States should prevail in a World Trade Organization dispute.

The Trade Representative has established a two-track approach taking the initiative before the WTO and exercising our bilateral rights under our trade law. I do not see any inconsistency in

this approach. It is the right approach because our practices in our market are transparent and open, while Japan's practices are not. Thus, it is a fair challenge to the WTO to recognize and act on the reality of the market situation.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter sent yesterday from Ambassador Kantor to the new Director General of the WTO, Mr. Renato Ruggiero, which gives pre-filing notification of the intention of the United States to initiate a WTO challenge against Japanese automotive discrimination. In addition, I also ask unanimous consent to include an op-ed piece from today's Washington Post by the vice chairman of the Chrysler Corp., Mr. Thomas G. Denomme, outlining in detail problems that Chrysler has experienced in attempting to break into the Japanese market.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE
PRESIDENT,
U.S. TRADE REPRESENTATIVE,
Washington, DC.

RENATO RUGGIERO,
Director-General, World Trade Organization,
Geneva, Switzerland.

DEAR DIRECTOR-GENERAL: I am writing you today to give pre-filing notification of the intention of the United States to invoke the dispute settlement mechanism of the WTO to challenge the discrimination against United States and other competitive foreign products in the market for automobiles and automotive parts in Japan. It is our intention to officially file a case with the World Trade Organization (WTO) in approximately 45 days.

Through its actions and inactions with respect to the automotive sector, Japan has failed to carry out its obligations under the WTO, has nullified and impaired benefits accruing to the United States under the WTO, and has fostered a situation in the automotive sector that nullifies and impairs such benefits, and impedes the attainment of important objectives of the GATT and the WTO.

The market access problems in the automotive sector reflect problems endemic in many sectors in Japan. Relative to gross domestic product, Japan imports far fewer manufactured goods than any other G-7 country and maintains a persistent surplus in its global trade and current accounts. Japan's imports of manufactured goods are one-fifth to one-tenth the level of European countries and nearly one-third the level of the United States, relative to GDP. Overregulation, toleration of market restrictive practices and market structures, and pervasive and unwarranted intervention in the Japanese economy all work together to systematically discriminate against foreign competitive imports.

The United States has focussed on the automotive sector because of its central importance to the United States and other economies, and its huge contribution to the U.S.-Japan trade imbalance. This sector accounts for almost 5 percent of the U.S. GDP, and it directly provides jobs for 2.5 million Americans. The 1994 U.S.-Japan trade imbalance in the automotive sector was \$37 billion, nearly 60 percent of the total U.S. trade deficit with Japan and nearly a quarter of the entire U.S. global trade deficit.

This trade imbalance reflects a lack of access for foreign autos and auto parts to the Japanese market for the past 35 years. In Japan today, foreign automobiles have a 4.6 percent share of the market. In the United States, foreign autos occupy a 32.5 percent share of the market. Throughout the rest of the G-7, foreign cars range from 33 to 55 percent of the market. In Japan, foreign auto parts account for only 2.6 percent of the market. In the United States, foreign parts make up 35 percent of the market. Throughout the rest of the G-7, the market share of foreign parts ranges from 16 to 60 percent.

While we are first and foremost concerned about the impact of Japan's automotive barriers and restrictive practices on the interests of U.S. companies and workers, this is a general international economic problem, adversely affecting the interests of many trading nations. Japan's huge trade imbalances in the automotive sector contribute substantially to unstable international economic conditions which undermine global economic recovery and growth, and the health of the international trading system.

The Government of Japan in the past implemented measures to protect the domestic automobile industry, such as discriminatory allocation of capital, foreign investment restrictions, high tariffs, and a range of other measures. As these barriers were removed and as tariffs were reduced through multilateral tariff negotiations, the Government of Japan developed other measures to protect domestic producers from foreign competition. Such measures included, among others, excessively burdensome inspection requirements for imported vehicles, discriminatory access to vehicle registration data, and maintaining an unreasonably complex system of motor vehicle inspection and repair regulations.

At the same time, the Japanese automotive sector as it has developed has been pervasively characterized by close interlocking relationships between auto manufacturers, suppliers, distributors, dealers, and those who repair and inspect cars. The Government of Japan has guided or tolerated the creation by industry of informal market restrictive measures and market structures, which have placed a critical role in excluding foreign competitive suppliers of autos and auto parts from the market.

Foreign motor vehicle manufacturers now face a situation in which limited access to auto dealerships—which until recently were prohibited from carrying products from competing suppliers and which still fear that carrying a competitor's products will damage their relationship with their current supplier—seriously impedes market access. In addition, foreign auto parts suppliers find it virtually impossible to sell high value-added parts to Japanese manufacturers.

In the auto parts aftermarket, excessive and complex regulations channel most repairs to garages tied closely to Japanese parts manufacturers, which results in market discrimination. While we are very conscious of the need for any country to establish regulations pertaining to safety and the environment, the Japanese regulations in the aftermarket go far beyond what is necessary to protect those interests, and are applied with the effect of creating unnecessary obstacles to international trade. Japan has chosen to create and maintain a regulatory system which effectively locks out foreign competitors and imposes extraordinary additional costs on Japanese consumers. According to our estimates, Japan's 34 million households would save \$24 billion annually from deregulation of the auto parts aftermarket.

As you are aware, the United States and Japan have been discussing measures to sub-

stantially increase access and sales of foreign competitive autos and auto parts in the Japanese market. After long negotiations, the United States and Japan have been unable to reach agreement regarding any of the three principal areas—access and sales of motor vehicles, original equipment parts, and replacement parts—that are crucial to a meaningful solution.

I have directed a task force of lawyers and economists to ready our case for submission to the WTO. I must underline the seriousness of our intentions in this matter.

Yours sincerely,

MICHAEL KANTOR.

JAPAN: ONE-WAY TRADE TACTICS

U.S. Trade Ambassador Mickey Kantor is currently toe to toe with the Japanese in the most contentious trade negotiations to date. The aim is to open Japan to American vehicles and parts. Agreements have been reached in theory to open Japan to foreign insurance, medical equipment, telecommunications equipment and glass. But the toughest and most important sector—automotive—remains unresolved.

The total American trade deficit with Japan last year was \$66 billion, and 60 percent of that—more than \$36 billion—was in auto trade alone. We can't fix the trade gap with Japan unless we fix the auto sector. And make no mistake, the Japanese domestic industry is virtually closed to foreigners and will remain closed unless we, as a nation, force them to open it. Here are just a few facts:

American companies have sold 400,000 vehicles in Japan in the past 25 years. Japanese companies have sold 40 million in this country. Japanese consumers bought 6.5 million vehicles last year. Only 301,391 were imported—less than 5 percent of the market. We project that Big Three sales in Japan will increase this year by about 12,000 vehicles. Japan ships that many to the United States every three days. The Japanese auto parts market is worth \$107 billion per year. America's world-class suppliers have less than 2 percent of that business, even with the weakest dollar since World War II.

Japan does not play by the same rule book as Western nations. It is a closed, mercantilistic society with government and business working hand in hand to prevent any serious foreign competition in the home market, while waging an economic war of conquest in overseas markets. With the second-largest economy in the world, Japan is simply too big and too important for such behavior to be tolerated. It also sends the wrong message to newly developing economies that one-way trade is an acceptable model to follow. It is time for the Japanese traders to grow up and act like responsible economic adults in the world trading system. That system is based on reciprocity. You can sell to us if we can sell to you.

Totally free trade has always been a textbook theory. It has never existed in reality. However, when a major trading nation consistently and egregiously violates the rules of reciprocity to beggar its neighbors, it can ultimately lead to the collapse of world trade. Other nations eventually find the costs of such violations to their own producers to be too great, and a major trade war develops.

The Japanese or their apologists continually protest that their auto markets are not closed to imports. It's just that we don't try hard enough, or that our vehicles are too big or that the steering wheel is on the wrong side.

It all boils down to an argument that Japanese roads and drivers are unique and unsuited to "foreign" vehicles and parts—just

as a Japanese baseball was unique and unsuitable for "foreign" bats, and Japanese snow was unique and unsuitable for "foreign" skis and just as (for 23 years) Japanese stomachs were unique and unsuitable for "foreign" apples. The list is endless, and the arguments are all bunk.

All of the U.S. companies have right-hand-drive vehicles. Chrysler was the first of the Big Three to export a right-hand-drive vehicle from the United States to Japan with the Jeep Cherokee. The sport utility segment is an increasingly popular segment of the Japanese market, just as it is in the United States and Europe. Last year, 197,877 sport utility vehicles were sold in Japan. Chrysler sold 13,208 vehicles in Japan; 12,701 of them were Jeep vehicles. That is an improvement over 1993, but it is still not a level we would expect in an open market. Japanese officials contend that our sales are going through the ceiling. If so, it's a very low ceiling. Those 12,701 Jeep vehicles represented only 6.4 percent of the sport utility market in Japan.

In the United Kingdom, a market we have only recently entered, we captured a 30 percent share of the gasoline-powered sport utility market. Both markets are right-hand drive. Both have domestic sport utility manufacturers. If we had achieved a 30 percent share in Japan, our sales would have totaled 59,363 vehicles in 1994.

Chrysler projects sales in Japan of 20,000 vehicles in 1995. This increase can be attributed to a number of things—favorable exchange rates, competitive pricing on our vehicles (we just lowered our Jeep prices by 10 percent), the popularity of the sport utility segment and, certainly, the current negotiations and pressure by the Clinton administration. History shows that Japan doesn't liberalize entry unless there is a reason to do so.

Last year, Chrysler opened a new office in Tokyo and expanded our staff there. In early 1996 we will introduce a right-hand-drive Grand Cherokee in Japan, followed by a right-hand-drive Neon and, in early 1997, a right-hand-drive version of our new minivan. We are making these substantial commitments of money, time and engineering talent because we are counting on the continued efforts of the U.S. government to expand entry into the Japanese market and other auto markets around the world.

Chrysler is committed to breaking into the Japanese market and will continue to expand our presence there with more products and staff support and by testing the Japanese auto manufacturers' latest message: that Japanese dealers are free to sell whatever vehicles they choose. We will be knocking on dealers' doors, trying to establish broader distribution opportunities for our products. We will provide Japanese dealers with more products and profits. And we will offer the Japanese consumer a wider choice of vehicles.

A trade agreement that provides real access to Japan's vehicle and parts markets is critical, not only to the Big Three and our employees, but to all of the related industries that supply the industry: semiconductors, electronics, steel, aluminum, chemicals, rubber, machine tools and many others. All told, about 1.5 million employees of America's automakers and their suppliers are waiting for Japan to remove its "do not enter" sign.

Regardless of successes in other sectors, the U.S.-Japan framework negotiations will fail both the American producers and the Japanese consumers if the automobile sector is not opened to U.S. vehicles and parts.

Mr. BYRD. Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SMITH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 751

Mr. SMITH. Mr. President, we have an amendment offered by Senator KEMPTHORNE. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for Mr. KEMPTHORNE, proposes an amendment numbered 751.

Mr. SMITH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 69, line 13, strike the word, "remote".

On page 69, line 19, after the word, "infeasible", insert the word, "or".

On page 69, lines 21 and 22, strike the words, "the unit shall be exempt from those requirements" and in lieu thereof insert the words, "the State may exempt the unit from some or all of those requirements".

On page 69, line 22, add the following new sentence: "This subsection shall apply only to solid waste landfill units that dispose of less than 20 tons of municipal solid waste daily, based on an annual average."

Mr. SMITH. Mr. President, this amendment offered by the Senator from Idaho has been agreed to on both sides.

There is no objection on either side. It is a technical amendment to title III and it deals with ground water monitoring.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 751) was agreed to.

Mr. SMITH. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Rhode Island [Mr. CHAFEE] is recognized.

Mr. CHAFEE. I thank the Chair.

(The remarks of Mr. CHAFEE pertaining to the introduction of S. 786 are located in today's RECORD under "State-

ments on Introduced Bills and Joint Resolutions.")

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEWINE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Ohio is recognized.

CRIME IN AMERICA

Mr. DEWINE. Mr. President, in the coming weeks the Senate will once again turn to the very important issue of crime. Within the next few days I will be introducing on this floor a crime bill of my own. Over the next 4 days I intend to discuss on each one of those 4 days a different aspect of the crime bill that I will be introducing.

Today, I would like to start by talking about two truly fundamental and basic issues and questions. First, what is the proper role of the Federal Government in fighting crime in this country? Second, despite all of the rhetoric, what really works in law enforcement? What matters? What does not matter? What is rhetoric and what is reality? What can the Federal Government do to help local law enforcement? Because, Mr. President, the fact is that over 90 percent of all criminal investigations, prosecutions, and trials do not occur at the Federal level. Rather, they take place at the local and State level.

This means that one of the criteria for any crime bill has to be the impact that bill will have on the ability of local communities themselves to fight crime. Of any crime bill, we have to ask this question: Does it help or does it hurt the local crimefighters, the men and women who are on the front line every single day? Mr. President, if it does help, does the help it gives help permanently or just over the short run? In other words, are we going to get any lasting impact in our battle against crime for the billions of dollars that we are talking of spending at the Federal level?

Mr. President, the role of the Federal Government first and foremost is to do those things that the local community cannot do for itself. I believe the Federal Government has to provide the tools to a local community to fight crime, tools that they could not have but for the help of the Federal Government.

One major Federal responsibility that I would like to discuss today is the creation and maintenance of a national criminal records system. The idea is really very basic and very simple. We need to make it possible for any police officer anywhere in the country to access a national data base, a fully automated data base, data bank, which includes information on

fingerprints, DNA, ballistics, outstanding warrants, and complete criminal record history of suspects and of those who have previously been convicted of crimes.

I believe that this system will be an absolutely essential component of local law enforcement in the 21st century. We already have much of this technology in place today, but, quite frankly, it will only become more important in the years ahead. That is why we need to focus on it today, this year, this crime bill. We have to build this system correctly from the beginning.

Mr. President, we will soon be considering the single largest crime fighting bill in the history of this country. If we do not focus on this technology issue now as part of this crime bill, we never will again have the opportunity to do it and to do it correctly. I think that would be tragic, because if we do not do this it will be much more difficult later on for police to fight crime. Conversely, if we do do it, we will solve crimes. We will save people from becoming victims. Yes, we will save lives. I think that really is what is at stake.

Mr. President, if we do not do this now, it will be more difficult for the police to solve crimes committed by the same individual in different cities—to catch, for example, a criminal who used the same gun to commit crimes in both Washington, DC, and Baltimore, MD. It will be more difficult to keep track of sex offenders and to prevent them from repeating their offenses.

Mr. President, when a felon is fleeing from justice and inadvertently falls into the hands of law enforcers in some other jurisdiction, those arresting officers will not know through fingerprints that that person is wanted, let us say, for kidnapping or a terrorist act—kidnapping a child.

Mr. President, when a brave police officer pulls someone over on a deserted highway in the middle of the night, that police officer will not know the kind of person he is pulling over, will not know that the person he has pulled over is a convicted criminal, maybe a fugitive from justice.

Local police work hard and do a great job. They deserve much better than this. They deserve to have the best technology that we can give them.

To do that they need national help. They need the technological backup that only a fully functioning national—national—system can provide. For local law enforcement to get the maximum benefit from a national system, we have to grow this national system locally.

The unique thing about law enforcement in the United States, a country with a Federal system, not a top-down system, of government, is that you can only have a national system if the local law enforcement people build it up themselves. To attempt to create a national system from the top down is like trying to create a TV network if nobody has a television.